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DEVELOPMENT IMPACT PROJECT AGREEMENT
INCLUDING PROVISIONS FOR THE JOB CONTRIBUTION GRANT
FOR

NEW ENGLAND MEDICAL CENTER HOSPITALS, INC.

1-C PROJECT PHASE I

*n.d.
circa
1992*

THIS AGREEMENT, dated as of the ___ day of _____, 1992 between the BOSTON REDEVELOPMENT AUTHORITY, a public body politic and corporate organized and existing under Chapter 121B of the Massachusetts General Laws, as amended (hereinafter referred to as the "BRA"), and NEW ENGLAND MEDICAL CENTER HOSPITALS, INC., a Massachusetts non-profit corporation organized pursuant to Chapter 180 of the Massachusetts General Laws, as amended, with a principal place of business at 750 Washington Street, Boston, Massachusetts 02111 and its successors, assigns and legal representatives (hereinafter referred to as the "Applicant"); the BRA and the Applicant, collectively, shall be referred to as the "Parties".

WITNESSETH:

WHEREAS, the Applicant proposes to construct two (2) connected eight-story buildings totalling approximately 442,219 gross square feet of space to be used for inpatient and ambulatory care services on the Project Site (defined below);

WHEREAS, the Project Site is comprised of 57,346 square feet of land and is more particularly described on Exhibit A attached hereto (hereinafter referred to as the "Project Site");

WHEREAS, the Project constitutes a Development Impact Project as defined in Section 26A-2(1) of Article 26A of the Boston Zoning Code and Section 26B-2(1) of Article 26B of the Boston Zoning Code;

WHEREAS, the Neighborhood Housing Trust (hereinafter referred to as the "Neighborhood Housing Trust") referred to in

Article 26A of the Boston Zoning Code has been created under the authority of Chapter 371 of the Acts of 1987 and the laws of the Commonwealth of Massachusetts and administered pursuant to a Declaration of Trust dated November 19, 1985 and pursuant to the Ordinance Establishing The Neighborhood Housing Trust passed by the City Council on May 21, 1986 and approved by the Mayor on July 6, 1986; and

WHEREAS, the Neighborhood Jobs Trust (hereinafter referred to as the "Neighborhood Jobs Trust") referred to in Article 26B of the Boston Zoning Code has been created under the authority of Chapter 371 of the Acts of 1987 and the laws of the Commonwealth of Massachusetts and administered pursuant to a Declaration of Trust dated November 19, 1985 and pursuant to the Ordinance Establishing The Neighborhood Jobs Trust passed by the City Council on August 19, 1987 and approved by the Mayor on September 8, 1987;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1. DEVELOPMENT IMPACT PROJECT PLAN

1.1 Development Impact Project Plan. The Parties hereby acknowledge that the Applicant submitted to the BRA a Development Impact Project Plan (hereinafter referred to as the "Plan") attached hereto as Exhibit B and hereby incorporated by reference, as required by Section 26A-3 of Article 26A and Section 26B-3 of Article 26B of the Boston Zoning Code and after a public hearing held on September 16, 1992, notice of which was published in Boston Herald on September 11, 1992, the BRA approved the Plan on September 16, 1992. The Applicant will cause the Project Site to be developed in accordance with the Plan.

ARTICLE 2. LINKAGE PAYMENT

2.1 Linkage Payment. The Applicant shall be responsible, in accordance with the terms of this Agreement, for a Development

Impact Project Contribution (hereinafter referred to as the "Linkage Payment") as such term is defined in Section 26A-2(3) of Article 26A of the Boston Zoning Code, in the amount as calculated and set forth in Section 2.4 of this Agreement. The Applicant may, at its option, satisfy its obligation for the Linkage Payment, in whole or in part, by contributing to the creation of housing units for occupancy exclusively by low and moderate income residents of the City of Boston, as described in Section 2.2 of this Agreement (hereinafter referred to as the "Housing Creation Option"), or by payments made in accordance with Section 2.3 of this Agreement (hereinafter referred to as the "Housing Payment Option").

2.2 Housing Creation Option. If the Applicant shall elect to contribute to the creation of housing units for occupancy exclusively by low and moderate income residents of the City of Boston, the Applicant shall submit a proposal in writing to the BRA on or before the Payment Date, as defined in Section 2.6 of this Agreement and as further defined in the Housing Creation Regulations (hereinafter referred to as the "Regulations"). Such proposal approved in accordance with the Regulations shall satisfy the provisions of the Housing Creation Contribution set forth in Section 26A-2(3)(a) of Article 26A of the Boston Zoning Code. The proposal shall include a description of the number, location, cost and design of the housing units. Applicant pledges compliance with said regulations. The proposal shall be subject to the approval by the BRA only after public notice and hearing.

2.3 Housing Payment Option. The Applicant hereby elects to pay the Linkage Payment in two installments. It is hereby acknowledged that the first installment in the amount of \$216,359 was paid on November 7, 1991. The Applicant shall pay the second installment on the Linkage Payment Date as defined in Section 2.6 of this Agreement. The second installment shall be in an amount equal to the Net Present Value (hereinafter defined) of the Linkage Payment which would have been paid in seven (7) annual

installments commencing upon the Linkage Payment Date less \$216,359. "Net Present Value" shall mean the value of an amount of money equal to the sum of discounted payments which would have been made by the Applicant had the Applicant elected to satisfy its obligations under Articles 26 and 26A of the Boston Zoning Code through the payment of seven (7) annual installments commencing upon the Linkage Payment Date. Such discounting shall be measured from the Linkage Payment Date to the dates at which each of the seven (7) annual installments would have been made. Net Present Value shall be determined by applying a composite discount rate to the payments that the Applicant would have made if the Applicant had elected to make seven (7) annual installments. The discount rate shall be calculated by adding fifty percent (50%) of the Developer's verified cost of funds for the construction of the Project to fifty percent (50%) of the current most recent City of Boston long-term (ten year) municipal bond yield.

Said payments shall be paid to the Collector-Treasurer of the City of Boston, Room M-5, One City Hall Square, Boston, MA 02201, as managing trustee of the Neighborhood Housing Trust (hereinafter referred to as the "Managing Trustee"). In the event the second Linkage Payment installment is not made in a timely manner as provided herein, the Applicant shall pay interest thereon calculated at the rate of 1.5% per month, commencing on the applicable date when payment should have been received by the Managing Trustee and ending on the date when the Managing Trustee receives payment.

2.4 Calculation of Linkage Payment. The Parties hereby acknowledge that the Project will include certain uses enumerated in Table D of Article 26A of the Boston Zoning Code (hereinafter referred to as "Table D Uses"), including but not limited to institutional uses. It is anticipated that the gross floor area (calculated pursuant to Section 2-1(21) of the Boston Zoning Code) of the Project devoted to one or more Table D Uses in the aggregate will exceed one hundred thousand (100,000) square feet,

said gross floor area devoted to such uses is expected to be 370,436 square feet, based upon schematic drawings for the Project. The total amount of the Linkage Payment, calculated at the rate of \$5.00 for each square foot of gross floor area in excess of one hundred thousand (100,000) square feet devoted to one or more Table D Uses will approximate a total of \$1,352,180. The Parties acknowledge that the amount of the Linkage Payment is based upon gross floor areas as estimated in the Plan. Prior to the issuance of a Certificate of Occupancy, the Applicant shall submit a statement of the final gross floor area for the Project as certified by the Project Architect (as identified in the DIP Plan). If the actual gross floor area, as defined in Section 2-1(21) of the Boston Zoning Code and as certified by the Project Architect differs from the above-stated estimate, the Applicant will adjust the amount of the Linkage Payment in accordance with Article 26A of the Boston Zoning Code to reflect the actual gross floor area, provided that a reduction in any Linkage Payment already paid shall be in the form of a credit against future Linkage Payment obligations of the Applicant, if any.

2.5 Recalculation. The BRA hereby agrees, subject to the final calculation provisions contained in Section 2.4 of this Agreement, that any change in the formula (amount or rate of payment) for the calculation of the Linkage Payment as set forth in Section 26A-3(2) of Article 26A of the Boston Zoning Code and otherwise, or any change in the definition of "gross floor area" in Section 2-1(21) of Article 2 of the Boston Zoning Code, or other changes in the Boston Zoning Code, after the date hereof, shall not in any way affect the Linkage Payment determined in accordance with Section 2.4 of this Agreement.

2.6 Linkage Payment Date. The Linkage Payment Date shall be the date of the granting of the first building permit that allows for substantial construction. For purposes of this Section, demolition and surface site work shall not be considered substantial construction but the commencement of excavation, foundation, and other work shall constitute substantial

construction.

2.7 Notice of Linkage Payment. Upon execution of this Agreement, the BRA will notify the Managing Trustee of such execution.

In order to ensure prompt receipt of the Linkage Payment, the Applicant acknowledges that the Inspectional Services Department (hereinafter referred to as "ISD") will not issue a building permit for the Project until satisfactory evidence of such receipt has been presented. Upon receipt of both installments of the Linkage Payment, the Managing Trustee shall (a) acknowledge receipt thereof, (b) issue to the Applicant a certification of such payment and (c) notify ISD of such payment.

The BRA shall review the Applicant's determination of the final gross floor area of the Project. If the BRA confirms the Applicant's determination, it shall so certify and forward the same to ISD with a copy to the Managing Trustee.

2.8 Project Address. In order to assist the Managing Trustee in coordinating collection efforts with ISD, the Applicant shall submit to the BRA and the Neighborhood Housing Trust the Project address as listed on the building permit application and the building application numbers.

(a) Project address as listed on the building permit application is: 750 Washington Street
Boston, Massachusetts 02111.

(b) Building application number(s) is (are):

2.9 Non-Accrual of Linkage Payment. If a building permit is not granted for the Project, or any part thereof, or if construction of the Project, or any part thereof, is abandoned after a building permit is obtained and prior to the commencement of substantial construction (the commencement of excavation,

foundation, and other subsurface work shall constitute substantial construction) or if a building permit for the Project, or any part thereof, is revoked or lapses and is not renewed, then the Applicant shall have no responsibility for the Linkage Payment with respect to portions of the Project not constructed and any portion of the Linkage Payment previously paid by the Applicant shall be credited against future Linkage Payments. If the Applicant shall so abandon all or any portion of the Project after a building permit is obtained, the Applicant shall file with the BRA and the Neighborhood Housing Trust an affidavit stating that the Project or such portion of the Project is so abandoned. As used herein, the term "Construction Commencement Date" means the date on which any substantial construction commences, including without limitation, excavation, foundation, and other subsurface work, but substantial construction shall not include the demolition of any structures or portions thereof now existing on the Project Site or the conduct of borings, soil investigations or similar activities, whether or not the same require the issuance of a partial building permit.

2.10 Credit Towards Linkage Payment. If the City of Boston should hereafter impose, assess, or levy any excise or tax upon the Project, the proceeds of which are dedicated, in whole or in part, to the establishment of a fund for purposes of substantially the same as the purposes recited in Section 26A-1 of Article 26A of the Boston Zoning Code, amounts payable hereunder by the Applicant shall be credited against such excise or tax; provided, however, that if such crediting shall not be legally permissible to satisfy payment of such tax or excise, the obligations of the Applicant hereunder shall, to the extent of the amount of such tax or excise, thereupon cease and be of no further force and effect.

ARTICLE 3. JOBS CONTRIBUTION GRANT

3.1 Jobs Payment. The Applicant shall be responsible, in accordance with the terms of this Agreement, for a Jobs

Contribution Grant (hereinafter referred to as the "Jobs Payment") as such term is defined in Section 26B-2(3) of Article 26B of the Boston Zoning Code, in the amount as calculated and set forth herein. The Jobs Payment shall be made to the Collector-Treasurer of the City of Boston, Room M-5, One City Hall Square, Boston, Massachusetts, as custodian for the Neighborhood Jobs Trust (hereinafter referred to as the "Collector-Treasurer").

The BRA hereby agrees that delivery of such payments to the Collector-Treasurer constitutes full satisfaction of the Applicant's obligation to make the Jobs Payment.

The Parties hereby acknowledge that the Project will include certain uses enumerated in Table E of Section 26B-3 of Article 26B of the Boston Zoning Code (hereinafter referred to as "Table E Uses"), including without limitation, institutional uses. It is anticipated that the gross floor area of the Project devoted to one or more Table E Uses in the aggregate will exceed one hundred thousand (100,000) square feet, said gross floor area devoted to such uses is expected to be 370,436 square feet, based upon schematic drawings of the Project. The total amount of the Jobs Payment calculated at the rate of \$1.00 for each square foot of gross floor area in excess of one hundred thousand square feet devoted to one or more Table E Uses, will approximate a total of \$270,436. The Parties acknowledge that the amount of the Jobs Payment is based upon gross floor area as estimated in the Plan. If the actual gross floor area of the Project, as defined in Section 2-1(21) of Article 2 of the Boston Zoning Code and as certified by the Project Architect (as identified in the Plan) differs from the above-stated estimate, the Applicant shall adjust the amount of the Jobs Payment in accordance with Article 26B of the Boston Zoning Code to reflect the actual gross floor area, provided that a reduction in any Jobs Payment already paid shall be in the form of a credit against future Jobs Payment obligations of the Applicant, if any.

3.2 Recalculation. The BRA hereby agrees that subject to the final calculation provisions contained in Section 3.1 of this Agreement, any change in the formula (amount or rate of payment) for the calculation of the Jobs Payment as set forth in Section 26B-3(1) of Article 26B of the Boston Zoning Code and otherwise, or any change in the definition of "gross floor area" in Section 2-1(21) of Article 2 of the Boston Zoning Code, or other changes in the Boston Zoning Code, after the date hereof, shall not in any way affect the Jobs Payment determined in accordance with Section 3.1 of this Agreement.

3.3 Jobs Payment Date. The Jobs Payment shall be made in one installment due upon the issuance of the first building permit that allows for substantial construction, as defined in Section 2.6 of this Agreement.

3.4 Non-Accrual of Jobs Payment. If a building permit is not granted for the Project, or any part thereof, or if construction of the Project, or any part thereof, is abandoned after a building permit is obtained and prior to the commencement of substantial construction, as defined in Section 2.6 of this Agreement, or if a building permit for the Project, or any part thereof, is revoked or lapses and is not renewed, then the Applicant shall have no responsibility for the Jobs Payment with respect to those portions of the Project not constructed.

3.5 Credit Towards Jobs Payment. If the City of Boston should hereafter impose, assess, or levy any excise or tax upon the Project, the proceeds of which are dedicated, in whole or in part, to the establishment of a fund for purposes substantially the same as the purposes recited in Section 26B-1 of Article 26B of the Boston Zoning Code, amounts payable hereunder by Applicant shall be credited against such excise or tax, provided, however, that if such crediting shall not be legally permissible to satisfy payment of such excise or tax, the obligations of the Applicant hereunder shall, to the extent of the amount of such tax or excise, thereupon cease and be of no further force or

effect.

ARTICLE 4. RESIDENT CONSTRUCTION EMPLOYMENT PLAN

4.1 Boston Residents Construction Employment Standards. The Boston Residents Construction Employment Plan, a copy of which is attached hereto as Exhibit C, satisfies the requirements of the Boston Residents Jobs Policy established by Chapter 30 of the Ordinances of 1983 and the Mayor's Executive Order Extending the Boston Residents Jobs Policy dated July 12, 1985. The Applicant has executed the Boston Residents Construction Employment Plan, which sets forth in detail the Applicant's plans to use best efforts to ensure that its general contractor, and those engaged by said general contractor for construction of the Project on a craft-by-craft basis, meet the following Boston Residents Construction Employment Standards: (1) at least fifty percent (50%) of the total employee worker hours in each trade shall be by bonafide Boston residents; (2) at least twenty-five percent (25%) of the total employee worker hours in each trade shall be by minorities; and (3) at least ten percent (10%) of the total employee worker hours in each trade shall be by women. Said plan includes provisions for monitoring, compliance and sanctions.

4.2 Worker Hours Defined. For purposes of this Article, worker hours shall include on-the-job training and apprenticeship positions.

ARTICLE 5. EMPLOYMENT OPPORTUNITY PLAN.

5.1 The Applicant shall execute a Memorandum of Understanding (Exhibit D) and a First Source Agreement (Exhibit E) in connection with the Project. The Memorandum of Understanding shall set forth an Employment Opportunity Plan which presents the Applicant's current and continuing good faith effort to ensure that fifty percent (50%) of certain employment opportunities created by the Project will be made available to Boston Residents. The First Source Agreement with the Mayor's Office of Jobs and Community Services shall provide that when

announcing or advertising the availability of an employment position the Applicant simultaneously will notify the Economic Development and Industrial Corporation Placement Unit of such position and Applicant's minimum requirements for qualified applicants for such position.

ARTICLE 6. LIABILITY.

6.1 Scope of Applicant's Liability. Provided that the Applicant provides notice of this Agreement in accordance with Section 7.5 hereof, the BRA agrees to look solely to the interests of the Applicant or its successors or assigns from time to time in the Project that is subject to this Agreement, as more fully described in the Development Impact Project Plan for this Project, whether owned by the Applicant or its successors or assigns, as the case may be, for any claim against the Applicant or its successors or assigns, arising under this Agreement in connection with such Project and the Project Site.

6.2 Personal Liability. Subject to the provisions contained in Section 7.5 of this Agreement, neither the Applicant nor any trustee, beneficiary, partner, stockholder, manager, officer, director, agent or employee of the Applicant or its successors or assigns shall be personally or individually liable under this Agreement, nor shall it or they be liable beyond the extent of its or their interest in such Project.

ARTICLE 7. MISCELLANEOUS PROVISIONS.

7.1 Amendments; Law to be Applied. If the Parties hereto agree hereafter to amend this Agreement, such amendment shall be in writing and executed by the Parties hereto. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts, and sets forth the entire agreement between the Parties. This Agreement is binding and enforceable under contract law upon, and inures to the benefit of, the Parties, their successors, assigns, and legal representatives, including without limitation, any successor owner or owners of the improvements, the Neighborhood Housing Trust and the Neighborhood

Jobs Trust, notwithstanding any subsequent amendment, or repeal of Article 26A or Article 26B or court decision having the effect of an amendment or repeal of Article 26A or Article 26B of the Boston Zoning Code.

7.2 Capitalized Terms. The capitalized terms used herein without definition shall have the meanings ascribed in Article 2 or Article 26A or Article 26B of the Boston Zoning Code, unless otherwise provided.

7.3 Knowledge of Laws. The Applicant shall keep itself fully informed of all votes of the BRA, City of Boston ordinances, executive orders, and regulations, and state and federal law which in any manner affect the provisions of this Agreement. The Applicant shall at all times observe and comply with said votes, ordinances, executive orders, regulations or laws, and shall protect and indemnify the City and the BRA, its officers, agents and employees against any claim or liability arising from or based upon the violations of such ordinances, executive orders, regulations or laws, caused by any act or omission of the Applicant, its agents or employees.

7.4 Notice. All notices under this Agreement must be in writing and must be hand-delivered, delivered by recognized overnight delivery service, or mailed by certified or registered mail, return receipt requested, to the Parties at the following addresses or such other address as each may have specified to the other by such a notice:

If to the BRA: Boston Redevelopment BRA
 One City Hall Square
 Boston, MA 02201
 ATTENTION: Director

with a copy to: Boston Redevelopment Authority
 One City Hall Square
 Boston, MA 02201
 ATTENTION: Chief General Counsel

If to the Applicant: New England Medical Center Hospitals,
Inc.
750 Washington Street
Boston, MA 02111
ATTENTION: David A. Trull, Executive
Vice President

with copies to: Ropes and Gray
One International Place
Boston, MA 02109
ATTENTION: Daniel Roble, Esq.

and New England Medical Center Hospitals,
Inc.
Office of General Counsel
750 Washington Street
Boston, MA 02111
ATTENTION: Larry Smith, Esq.

7.5 Notice of Agreement Upon Sale or Assignment. Prior to the sale or assignment of its interest in the Project, the Applicant shall comply with the following conditions: (a) the Applicant shall not be in default of the terms and conditions of this Agreement imposed upon the Applicant to such date; (b) the successor or assignee shall expressly assume and agree to perform and comply with all the covenants and provisions of this Agreement on the part of the Applicant; and (c) there shall be promptly delivered to the BRA the original or a duplicate original of the instrument or instruments containing such assignment to and assumption by the successor or assignee. Failure of the Applicant to give such notice prior to the sale or assignment of its interest in the Project shall render ineffective the provisions contained in Article 6 hereof. Any holder of a mortgage on the Project shall expressly assume and agree to perform any obligations of the Applicant hereunder upon acquisition hereunder or acquisition of title to the Project by foreclosure or deed in lieu of foreclosure.

7.6 Certification of Compliance. The BRA hereby agrees to assist the Applicant in obtaining from the Collector-Treasurer of the City of Boston, upon satisfaction by the Applicant of its Linkage Payment and Jobs Payment obligations, within ten (10) business days after a request by the Applicant, a certification,



in recordable form, that said Linkage Payment or Jobs Payment, or both, as the case may be, has been satisfied by the Applicant and that the Applicant has no further liability for such Linkage Payment or Jobs Payment.

7.7 Satisfaction of Development Impact Project Requirements. The BRA hereby acknowledges that, by executing this Agreement, the Applicant has satisfied the requirements of Section 26A-3(2) of Article 26A and Section 26B-3(1) of Article 26B of the Boston Zoning Code insofar as satisfaction of the requirements of those Sections are a pre-condition to the granting, allowing, or adopting of a variance, conditional use permit, exception, or zoning map or text amendment with respect to the Applicant's development of the Project Site.

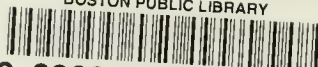
7.8 Satisfaction of the Boston Residents Jobs Policy. The BRA hereby acknowledges that, by executing this Agreement, the Boston Residents Construction Employment Plan attached hereto as Exhibit C satisfies the requirements of the Boston Residents Jobs Policy established by Chapter 30 of the Ordinances of 1983 and the Mayor's Executive Order Extending the Boston Residents Jobs Policy dated July 12, 1985.

7.9 Titles. The captions of this Agreement, its articles and sections throughout this document are intended solely to facilitate reading and referencing its provisions. Such captions shall not affect the meaning or interpretation of this Agreement.

7.10 Transfer of Interest. Rights and interests accorded by this Agreement shall not be assigned, delegated, subcontracted or in any way transferred by the Applicant without prior written notice to the BRA.

7.11 Severability. Each and every covenant and agreement contained in this Agreement shall be construed to be a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof to any person or

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circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such terms to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby and each other term and provision of this Agreement shall be valid and enforceable to the extent permitted by law.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed in their behalf by their respective officers thereunto duly authorized as of the day and year first above set forth.

APPROVED AS TO FORM:

BOSTON REDEVELOPMENT AUTHORITY

Robert F. McNeil
Chief General Counsel
Boston Redevelopment Authority

By: _____
Paul Barrett, Director

NEW ENGLAND MEDICAL CENTER
HOSPITALS, INC.

By: _____
David A. Trull, Executive Vice
President

